



DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

Agency Information Collection Activities: Information Collection Renewal; Submission for OMB Review; Recordkeeping Requirements for Securities Transactions

AGENCY: Office of the Comptroller of the Currency (OCC), Treasury.

ACTION: Notice and request for comment.

SUMMARY: The OCC, as part of its continuing effort to reduce paperwork and respondent burden, invites comment on a continuing information collection, as required by the Paperwork Reduction Act of 1995 (PRA). In accordance with the requirements of the PRA, the OCC may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The OCC is soliciting comment concerning the renewal of its information collection titled, “Recordkeeping Requirements for Securities Transactions.” The OCC also is giving notice that it has sent the collection to OMB for review.

DATES: You should submit comments by [INSERT 30 DAYS FROM DATE OF PUBLICATION IN THE **FEDERAL REGISTER**].

ADDRESSES: Commenters are encouraged to submit comments by e-mail, if possible. You may submit comments by any of the following methods:

- *E-mail:* prainfo@occ.treas.gov.
- *Mail:* Chief Counsel’s Office, Attention: Comment Processing, 1557-0142, Office of the Comptroller of the Currency, 400 7th Street, SW., suite 3E-218, Washington, DC 20219.
- *Hand Delivery/Courier:* 400 7th Street, SW., suite 3E-218, Washington, DC 20219.
- *Fax:* (571) 293-4835.

Instructions: You must include “OCC” as the agency name and “1557-0142” in your comment. In general, the OCC will publish comments on *www.reginfo.gov* without change, including any business or personal information provided, such as name and address information, e-mail addresses, or phone numbers. Comments received, including attachments and other supporting materials, are part of the public record and subject to public disclosure. Do not include any information in your comment or supporting materials that you consider confidential or inappropriate for public disclosure.

Written comments and recommendations for the proposed information collection should also be sent within 30 days of publication of this notice to *www.reginfo.gov/public/do/PRAMain*. You can find this information collection by selecting “Currently under 30-day Review – Open for Public Comments” or by using the search function.

You may review comments and other related materials that pertain to this information collection following the close of the 30-day comment period for this notice by the method set forth in the next bullet.

- Viewing Comments Electronically: Go to *www.reginfo.gov*. Hover over the “Information Collection Review” tab and click on “Information Collection Review” from the drop-down menu. From the “Currently under Review” drop-down menu, select “Department of Treasury” and then click “submit.” This information collection can be located by searching by OMB control number “1557- 0142” or “Recordkeeping Requirements for Securities Transactions.” Upon finding the appropriate information collection, click on the related “ICR Reference Number.” On the next screen, select “View Supporting Statement and Other Documents” and then click on the link to any comment listed at the bottom of the screen.

- For assistance in navigating *www.reginfo.gov*, please contact the Regulatory Information Service Center at (202) 482-7340.

FOR FURTHER INFORMATION CONTACT: Shaquita Merritt, Clearance Officer, (202) 649-5490, Chief Counsel’s Office, Office of the Comptroller of the Currency, 400 7th Street,

SW., Washington, DC 20219. If you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

SUPPLEMENTARY INFORMATION: Under the PRA (44 U.S.C. 3501 *et seq.*), Federal agencies must obtain approval from the OMB for each collection of information that they conduct or sponsor. "Collection of information" is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) to include agency requests and/or requirements that members of the public submit reports, keep records, or provide information to a third party. The OCC asks the OMB to extend its approval of the collection in this notice.

Title: Recordkeeping Requirements for Securities Transactions.

OMB Number: 1557-0142.

Abstract: The information collection requirements in 12 CFR parts 12 and 151 are designed to ensure that national banks and Federal savings associations comply with the banking and securities laws and improve the protections afforded to persons who purchase and sell securities through these financial institutions. Parts 12 and 151 establish recordkeeping and confirmation requirements applicable to certain securities transactions effected by national banks and Federal savings associations for customers. The transaction confirmation information required by these regulations ensures that customers receive a record of each securities transaction and that both financial institutions and the OCC have the records necessary to monitor compliance with the banking and securities laws and regulations. The OCC uses the required information in the course of its examinations to evaluate, among other things, an institution's compliance with the antifraud provisions of the Federal securities laws.

The information collection requirements contained in 12 CFR parts 12 and 151 are as follows:

- Twelve CFR 12.3 requires a national bank effecting securities transactions for customers to maintain certain records for at least three years. The records required by this section must clearly and accurately reflect the information required and provide an adequate

basis for audit of the information. Section 12.3(b) permits the use of a third-party service provider for records maintenance.

- Twelve CFR 151.50 requires a Federal savings association effecting securities transactions for customers to maintain certain records for at least three years. Twelve CFR 151.60 provides that the records required by § 151.50 must clearly and accurately reflect the information required and provide an adequate basis for audit of the information. Section 151.60(b) permits the use of a third-party service provider for records maintenance.

- Twelve CFR 12.4 requires a national bank effecting a securities transaction for a customer to give or send to the customer either a written notification of the transaction at or before completion of the transaction, or a copy of a registered broker-dealer's confirmation relating to the transaction within one business day from the bank's receipt of such confirmation. Section 12.4 also establishes disclosures that must be included in the bank's written notification or the broker-dealer confirmation. Section 12.4(b) provides that national banks may direct a broker-dealer to send confirmations to customers directly without requiring a duplicate to be sent by the bank.

- Twelve CFR 151.70 requires a Federal savings association effecting a securities transaction for a customer to give or send the customer either the registered broker-dealer confirmation described at 12 CFR 151.80, or the written notice described at 12 CFR 151.90. If the Federal savings association is complying with § 151.70 by using a broker-dealer confirmation, § 151.80 establishes when and how the Federal savings association must provide the broker-dealer confirmation, and establishes disclosures that must be included in that confirmation. Section 151.80(a) also provides that a Federal savings association may have a broker-dealer send confirmations to customers directly without requiring a duplicate to be sent by the Federal savings association. If the Federal savings association is complying with § 151.70 by using a written notice, § 151.90 establishes when and how the Federal savings association must provide the written notice, and establishes disclosures that must be included in that notice.

- Twelve CFR 12.5(a), (b), (c), and (e) describe notification procedures that a national bank may elect to use, as an alternative to complying with § 12.4, to notify customers of certain transactions in which the bank does not exercise investment discretion; trust transactions; agency transactions; and periodic plan transactions.

- Twelve CFR 151.100 describes the notification procedures a Federal savings association may elect to use, as an alternate means of satisfying § 151.70, if the Federal savings association effects a securities transaction for or with the account of a customer under a periodic plan, sweep account, or investment company plan; for or with the account of a customer in shares of certain open-ended management companies; for certain accounts for which the Federal savings association does not exercise investment discretion; for certain accounts for which the Federal savings association exercises investment discretion other than in an agency capacity; for an account in which the Federal savings association exercises investment discretion in an agency capacity; and for a common or collective investment fund.

- Twelve CFR 12.7(a)(1) through (a)(3) require national banks effecting securities transactions for customers to maintain and adhere to policies and procedures that assign responsibility for supervision of employees who perform securities trading functions, provide for the fair and equitable allocation of securities and prices to accounts for certain similarly-situated orders, and provide for crossing of buy and sell orders on a fair and equitable basis.

- Twelve CFR 151.140 requires Federal savings associations effecting securities transactions for customers to maintain and follow policies and procedures that assign responsibility for the supervision of employees who perform securities trading functions, provide for the fair and equitable allocation of securities and prices to accounts for certain similarly-situated orders, and provide for crossing of buy and sell orders on a fair and equitable basis.

- Twelve CFR 12.7(a)(4) requires certain national bank officers and employees involved in the securities trading process to report to the bank all personal transactions in securities made by them or on their behalf in which they have a beneficial interest.

- Twelve CFR 151.150 requires certain Federal savings association officers and employees involved in the securities trading process to report to the Federal savings association all personal transactions in securities made by them or on their behalf in which they have a beneficial interest.

- Twelve CFR 12.8 requires a national bank seeking a waiver of one or more of the requirements of §§ 12.2 through 12.7 to file a written request for waiver with the OCC.

Type of Review: Regular.

Affected Public: Businesses or other for-profit.

Estimated Number of Respondents: 307.

Estimated Frequency of Response: On occasion.

Estimated Total Annual Burden: 1501.5 Hours.

On October 7th, 2022, the OCC published a notice for 60 days of comment concerning this collection, 87 FR 61144. No comments were received. Comments continue to be solicited on:

- (a) Whether the collection of information is necessary for the proper performance of the functions of the OCC, including whether the information has practical utility;
- (b) The accuracy of the OCC's estimate of the burden of the collection of information;
- (c) Ways to enhance the quality, utility, and clarity of the information to be collected;
- (d) Ways to minimize the burden of the collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- (e) Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

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